

S-p-r-e-a-d-i-n-g the word

Three-day workshops, jointly sponsored by **Housing and Urban Development Dept.'s Office of Community Planning and Development**, and **Energy Dept.'s Office of Consumer Affairs**, and conducted by the **National Citizen Participation Council, Inc.**, train low and moderate income community leaders in how to more effectively participate in Federal programs at the local level. The **Community Development Block Grant and Energy Workshop** will be held May 3-5 at **Howard University** in Washington, DC. There is no registration fee or tuition for this training; however, there is a nominal charge of \$10 to defray the cost of the luncheons for those participants who wish to attend these functions. For more information about this workshop, as well as others scheduled in other cities, call **Deborah Walls-Johnson** at 202-293-7351.

More on hair dryers

At **CONSUMER NEWS'** presstime, the **Consumer Product Safety Commission (CPSC)** had not decided whether to require manufacturers of hand-held hair dryers to recall asbestos-lined dryers and make design changes.

The CPSC can also require manufacturers to provide refunds for the dryers (under Section 15 of the **Product Safety Act**), but it is awaiting results of hazard tests and information from manufacturers before making any decisions.

Underwriters Laboratories (UL), a private organization that sets safety standards for many products, shares some of the responsibility for the hair dryers being sold with asbestos insulation, since its standards allow use of asbestos as a possible insulator. UL has proposed a change effective March 1980 that would ban asbestos from hair dryers.

Charge it

The **US Government Printing Office (GPO)**, which sells over 25,000 different government publications through mail orders and government bookstores, has announced that the **Superintendent of Documents** will now let you charge publications to your **Master Charge** or **Visa** accounts.

For more information on what the office of the **Superintendent of Documents** provides, you may wish to write for its free brochure, *Consumers Guide to Federal Publications*. The address is: **Assistant Public Printer (Superintendent of Documents)**, **Government Printing Office**, Washington, DC 20402.

consumer news



UNITED STATES OFFICE OF CONSUMER AFFAIRS

Esther Peterson, Director

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OCA challenges AT&T's rate of return

The **US Office of Consumer Affairs (OCA)** has petitioned the **Federal Communications Commission (FCC)** to turn down a request by the **American Telephone and Telegraph Co. (AT&T)** that would allow the company a higher rate of return on long distance and foreign operations than that which was previously approved.

In its petition, OCA emphasized that if AT&T is making more than the allowable amount, it should be required to return the extra money to telephone consumers. It questioned why AT&T should be allowed a 10.38% rate of return instead of the 9.5-10% set by FCC after extensive public hearings and sophisticated economic and financial presentations. As **Consumer Affairs Director Esther Peterson** pointed out, "Granting AT&T's request is an affront to the established regulatory process. It is an attempt at retroactive ratemaking which violates accepted principles of utility regulation and has no foundation in law."

AT&T, which OCA says has a virtual monopoly on interstate telephone service, alleges that economic and financial conditions have substantially fluctuated since the 9.5% rate of return was established and has asked that a higher rate of return be granted automatically. OCA objected to "this closed door approach that would limit public scrutiny and disallow any opportunity for public participation."

In addition, OCA wants procedures developed leading to a reduction in rates or a credit to telephone consumers—as a result of a statement in the current FCC Order that "we shall not require any downward adjustment of AT&T's overall interstate rates provided its overall rate of return does not exceed 10%."

Substitute shopping by the Federal Government

As a result of the President's request that the 3 largest food buying Federal agencies review their plans for food purchases for the next 18 months, the agencies (**Agriculture Dept.**, **Veterans Administration** and **Defense Dept.**) say they will shift a portion of their purchases from beef and other high priced items to lower priced but equally nutritious substitute foods.

Specifically, the agencies plan to:

- Reduce their purchases of beef in the next 18 months by about 25% in favor of buying more poultry, pork and cheese than they planned. According to the President's inflation fighter **Alfred Kahn** and consumer affairs advisor **Esther Peterson**, this amounts to a reduction of about 57 million pounds of beef.
- Suspend plans to buy raisins and other expensive fruit that is in short supply this year.

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Recalls

• **AIR CONDITIONERS**—Carrier Corp. of Syracuse, NY, in cooperation with the **Consumer Product Safety Commission (CPSC)**, has reissued the announcement of its Oct. 20, 1978 recall of 2 models of room air conditioners manufactured between 1962 and 1964. Carrier said engineering tests on several of the units have revealed deterioration of a terminal board insulator, which could cause an electrical short that might ignite adjacent combustible material. The air conditioners were sold under Carrier's "Weathermaker" brand name (model numbers 51GA0661 or 51GB0661). The number appears on a metal plate behind the unit's decorative front grille.

WHAT TO DO: Do not use the unit—disconnect it from the electrical outlet. Call your nearest Carrier room-air conditioning dealer to arrange for a free repair. For more information call or write Carrier Air Conditioning, Carrier Parkway, Syracuse, NY 13221; telephone 315-432-7651. To verify brand names and model numbers, you may call CPSC's toll-free hotline at 800-638-8326; in Maryland, 800-492-8363. These numbers also serve the hearing-impaired with TTYs.

• **CARS**—**Transportation Dept.** has announced the voluntary recall by **General Motors Corp. (GM)** of 172,000 of its 1977 and 1978 Chevrolet Monza, Pontiac Sunbird, and Oldsmobile Starfire cars to correct a steering problem. The recall applies only to cars equipped with L-4, 151 CID engines.

GM reported that a deformation of the engine mount support structure will make steering increasingly difficult. Ultimately, difficulty may occur in returning the steering wheel to a straight ahead position after a sharp right turn.

No accidents or injuries have been reported to Transportation, but owners are encouraged to have their cars corrected as soon as they are contacted by the manufacturer.

• **FACE MOISTURIZER**—**Food and Drug Administration (FDA)** announces recall of 4,000 3.5 oz. jars of Revlon Milk Plus 6-24 Hour Face Moisturizer with lot number 881 stamped on bottom of jar. The product, which was distributed nationally and internationally from October 1978 through February 1979, is being recalled because of its bacterial contamination. Revlon says more than half of the contaminated jars have already been located.

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Substitute shopping (Continued from page 1)

• Cancel planned purchases of some frozen fruits and vegetables and substitute less expensive canned goods (Veterans Administration only).

Kahn and Peterson urged state and local government agencies and private organizations that buy large quantities of food to follow the Federal agencies' example. And they continue to encourage consumers to increase their purchases of lower priced meat and fruits and vegetables, "so that inflationary pressures on scarce items are moderated, but the market for them is not disrupted." (See **CONSUMER NEWS**: March 1.)

Public participation—FDA

Food and Drug Administration (FDA) has proposed a pilot program that would help it design a future program for public participation funding. If the proposal is adopted, FDA could reimburse individual consumers, consumer groups and others (even small businesses) who otherwise would not have enough money to participate effectively in certain regulatory proceedings. The funding would be limited to activities directly involved in participating in the proceedings, and all records would be subject to audit.

To obtain funding under FDA's proposal, the applicants would have to ask for compensation within 25 days after notice of a hearing is published and submit a sworn statement to FDA, giving information on their organization, the funding requested and the reasons why their participation in the hearing would enhance FDA's decisionmaking. Funding would be given to such applicants who demonstrate that:

• Representation of their interest could contribute substantially to determination of the issues involved.

• Their participation is reasonably necessary to represent that interest adequately.

• They can competently represent the interest they espouse.

• Without FDA funding, they do not have sufficient resources available to participate effectively in the proceedings.

A special Evaluation Board comprised of key FDA officials would decide on whether to provide reimbursement. All decisions of the Board would be considered final agency action. To allow participants enough time to prepare for the hearing, FDA would not schedule the hearing or require submission of testimony until 15 days after the Board notified participants.

FDA's proposed pilot program results from the evaluation of comments made on a **Consumers Union** petition published in August 1976. (See **CONSUMER REGISTER**: Sept. 15, 1976.) The program is patterned after one established in 1977 by the **National Highway Traffic Safety Administration**. In addition, other agencies—most notably the **National Oceanic and Atmospheric Administration**, **Consumer Product Safety Commission**, **Environmental Protection Agency**, **Federal Trade Commission**, **Civil Aeronautics Board**, **Federal Communications Commission**, **Nuclear Regulatory Commission**, and **Agriculture Dept.**—have or plan to develop programs to help fund public participation efforts.

See this issue of **CONSUMER REGISTER** for details on how to comment on this proposal.

Nitrite

The Carter Administration has proposed legislation to phase out the use of nitrite in food products (used mainly in meat, poultry and fish) after a one-year moratorium during which no final regulatory action could be taken to reduce or prohibit its use as a preservative.

During this one-year moratorium, **Health, Education and Welfare (HEW)** and **Agriculture Depts.** would collect and evaluate information about the health risks and benefits of nitrite and its available alternatives, if any. HEW and Agriculture point out that the moratorium "assures that any future regulatory action against nitrite, if needed, would be based on sound science and careful evaluation of available evidence. At the end of the moratorium—if the carcinogenicity or other toxic risks of nitrite is confirmed—each Secretary (of HEW and Agriculture) must weigh the botulism danger posed by a ban on this additive against the risks presented by its continued use."

HEW and Agriculture have proposed this legislation because a study submitted to HEW's **Food and Drug Administration (FDA)** last summer showed that nitrite caused cancer in test animals. That study is now being reviewed, and if the results are confirmed, existing food safety laws would require that FDA and Agriculture take immediate regulatory action against nitrite.

Since the agencies knew confirmation of the study would require an immediate ban on nitrite, they asked the **Justice Dept.** if it would be legal to gradually phase the additive out of the food supply while other botulism deterrents were being developed. Justice said such a phase-out is *not* allowable.

Under the proposed legislation, called the "Nitrite Moratorium and Food Safety Act," the agencies say they expect to be able to remove nitrite as a food additive in 3 years.

NOTE: The **Community Nutrition Institute**, a nonprofit, public interest organization specializing in food and nutrition issues, attacked the Agriculture-HEW proposal as "a purely political, unscientific and concessionary move . . ." and added, "There is absolutely no reason to prolong the exposure of Americans to a food additive if it has been shown to be carcinogenic."

Consumer views on saccharin report

After the **National Academy of Sciences (NAS)** sent to Congress Part II of its saccharin report, the **US Office of Consumer Affairs (OCA)** met with several leaders of consumer groups, including **Consumer Federation of America**, **Community Nutrition Institute** and **Center for Science in the Public Interest**, and others, to discuss the contents of the report which included NAS' findings on saccharin and general food safety policy recommendations.

Among other concerns, the consumer leaders:

- Recommended that the Delaney Amendment be retained, and in fact strengthened, by making it applicable to all food additives. (The Delaney Amendment requires that any food additive, approved after 1958, found to cause cancer in man or animal must be banned.)
- Called the NAS-recommended risk-benefit approach to food safety inappropriate and unfeasible for cancer causing substances, saying that no conceivable benefit could justify the risk of cancer.
- Disapproved of the NAS proposal to categorize materials under consideration as exhibiting low, moderate or high risk.
- Recommended banning saccharin as a food additive but might endorse its classification as an over-the-counter drug—if necessary.
- Agreed that neither saccharin nor nitrite should prompt a re-evaluation of the general food safety laws at this time. (The group perceived

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Warnings!

• **Transportation Dept.** has warned motorists against using T-type spare tire and rim combinations (supplied as original equipment with some 1978 and 1979 model year cars) for long periods of time or at high speeds. Transportation emphasizes that the T-type tire, which was developed to reduce the spare tire weight for smaller, lightweight cars and to save trunk space, is designed only for temporary use when one of the car's regular tires fails. It should be used only until the conventional tire can be repaired or replaced.

Transportation says any person considering buying a car with one of the temporary use spare tires should ask the salesperson about the special characteristics of the tires.

In addition to using the T-type tires for only brief periods, drivers are also warned not to replace the T-type tire with a conventional, full-sized tire, while using the special, narrow T-type rim designed only for use with the smaller spare tire. Such a practice, according to safety officials, is extremely dangerous, because such a mismatch between tire and rim can result in separation of the tire from the rim and loss of vehicle control.

• **Food and Drug Administration (FDA)** has warned the public that serious complications may result from the implantation of synthetic hair fibers in the scalp. FDA has confirmed more than 40 cases of injuries associated with this process and is investigating an additional 60 complaints. Injuries include infections, scarring, pitting, fibers breaking off in the scalp, and other complications that have required medical treatment, up to and including plastic surgery, according to FDA.

New GSA publication

The **Office of the Federal Register (OFR)** has published a *Codification of Presidential Proclamations and Executive Orders*, a new annual publication designed to provide in one convenient reference source proclamations or executive orders which affect the public in a general way. The new book covers the period from Jan. 20, 1961 through Jan. 20, 1977. OFR would like to receive comments and suggestions on the *Codification's* format, usefulness, clarity and accuracy. It is available in Federal depository libraries and many law libraries. Or it may be purchased for \$6.50 from the Superintendent of Documents, Government Printing Office, Washington, DC 20402, Stock No. 022-002-00060-1. Comments may be sent to the Presidential Documents Division, Office of the Federal Register, National Archives and Records Service, Washington, DC 20408.

Gasoline prices

Energy Dept. is urging motorists to report violations of Federal ceiling prices for gasoline, and if they think they are being charged more than the legal price, they should call Energy's toll-free hotline (800-424-9246). The number for the Washington, DC metropolitan area is 254-5474. The hotline will be open from 8 a.m. until 4:30 p.m. Monday through Friday.

The petroleum pricing and allocation regulations in effect since 1973 require that the current maximum legal selling price for gasoline be displayed on the pump. That price is determined on the basis of gasoline prices in May 1973, with certain adjustments permitted to reflect increased costs.

Hearing aid "helpline"

The **National Hearing Aid Society (NHAS)**, a nonprofit association which provides various services for the hearing impaired, has announced the opening of a toll-free telephone line, and offers information about hearing aids, hearing loss, proper health care, and help in resolving problems with a hearing aid sale. NHAS says one of every 15 Americans suffers some kind of hearing loss, which is often so gradual that it may go unnoticed for months or even years.

The helpline number, which serves the continental US (except Michigan) is 1-800-521-5247 and operates between 9 a.m. and 4 p.m. weekdays. (Michigan residents may call 517-755-8761 during those same hours, but that number is not toll-free.) NHAS' address is 20361 Middlebelt Road, Livonia, MI 48152.

Saccharin (Continued from page 3)

saccharin and nitrite as unique substances because of the absence of substitutes and because of their alleged benefits.)

At **CONSUMER NEWS'** presstime, Congress was still considering the report for possible legislative action. (See **CONSUMER NEWS:** March 15.)

Justice says Consumers Union lacks standing

Following closely on the heels of a court decision that **Ralph Nader's Health Research Group (HRG)** lacked "standing" to sue on behalf of the general public (**CONSUMER NEWS:** April 15), another challenge has been made to the "standing" of a public interest group to bring suit on behalf of its membership against a Federal agency.

Last year, **Consumers Union (CU)** sued the **Federal Reserve Board** (the Fed) in an effort to overturn its amendments to a "truth-in-lending" regulation. The Fed's action weakened the 3-day cooling off period in which a person can withdraw from a commitment to use his or her home as security in a credit transaction not related to the mortgage financing of the residence. In its suit CU claimed that the Fed did not have authority to undertake the modification of the cooling off period.

On April 2, the **Justice Dept.** filed a legal memorandum with the **US Distict Court for the District of Columbia** in support of a motion to dismiss the CU suit. Among other things, Justice claimed that CU lacked "standing" to sue since it did not demonstrate or allege that the interests it sought to protect by the suit were "germane to the organization's purpose." Relying in part on Judge Sirica's decision in the HRG case, Justice said that the suit is not "the product of pressure brought to bear by individual members who wish CU to advocate and protect their interests." In addition, the absence of any membership influence or control over the pursuit of the litigation was considered by Justice to be a fatal defect to CU's "standing" to sue.

The final outcome of the controversy is still pending. The parties to the suit must file legal memoranda on the issue of "standing" by May 2. If the court rules against CU and that decision stands, it may be extremely difficult in the future for any citizen or public interest group to satisfy "standing" requirements for suits in Federal courts. Thus, the ability of consumer groups to challenge actions by the Federal Government would be greatly reduced.

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